

General
Baking

ADMINISTRATIVE FILE
General Baking Co.
X
X

August 15, 1962

Mr. Wandal Phillips
Teamsters Local Union No. 484
2450 17th Street
San Francisco, California

Dear Sir and Brother:

The enclosed copy of a letter from General Baking is
forwarded for your information and any comments
you care to make.

Faternally yours,

James R. Hoffa
General President

JRH/alb
Encl.

GENERAL BAKING COMPANY
122 EAST FORTY-SECOND STREET
NEW YORK 17, N.Y.

OFFICE OF VICE PRESIDENT

August 14, 1962

Mr. James R. Hoffa, General President
International Brotherhood of Teamsters
25 Louisiana Avenue, N.W.
Washington 1, D.C.

Dear Mr. Hoffa:

Your teamster bakery drivers are losing jobs and earnings because our plants are not competitive with non-union and sweetheart-union bakeries located within and outside of every market where we do business. First, their production costs are lower. Second, their delivery costs are lower.

In Philadelphia, Pennsylvania, a conservative estimate indicates that over 500,000 loaves of 15¢ cheap bread are being shipped in each week by Hershey Baking Company of York, Penna., a non-union baker; and by Schultz Baking Company of Pottstown, Penna., a sweetheart-union baker with Teamster supply truck and bob-tail members. Naturally, we must meet this competition and produce substantial additional quantities of similar low-priced bread. This drastically reduces the sales volume of our regular 26¢ loaf of bread.

In Buffalo, New York, a conservative estimate indicates that over 200,000 loaves of cheap bread are being shipped in each week by Stroehmann Baking Company of Gleason, New York, a non-union baker, with Mine Worker drivers (sweetheart deal with complete flexibility); and by Fisch Baking Company of Erie, Penna., a sweetheart union baker with Teamster supply truck operators. At least 30 teamster commission-type salesmen have lost their jobs and the remaining several hundred have lost considerable earnings.

In Baltimore, Maryland, General Baking Company (wholesale and retail) and Ward Baking Company (wholesale only) have suffered for many years because of unfair competition by as many as 10 non-union bakers.

In Washington, D. C., the union bakers lost a \$1,500,000 annual contract from the Military District to a non-union baker by the name of Kern's Steam Bakery, shipping in from Lynchburg, Virginia - 175 miles away.

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In Norfolk, Virginia, General Baking Company and Merchants Bakery are the only union bakers. Here again your members and our company has suffered immeasurably by many non-union bakers, the foremost being Kotarides Baking Co.

In Wheeling, West Virginia, and Canton, Ohio, General Baking Co. and several others have had teamster drivers for many years. About a year or so ago, the Stork Baking Company of Parkersburg, West Virginia (production and sales people organized by the American Bakery and Confectionery Workers-AFL-CIO) underbid us and other union bakers for private label bread in 150 Tusco A.G. Stores throughout Ohio and West Virginia. The deliveries are drop shipments by supply truck which results in considerably lower delivery cost than we must pay under our teamster contracts. However, we lost out and so did your drivers in those two plants.

The above are examples of our mutual problems. A more detailed list is attached.

As I have mentioned before, I have dealt with the Teamsters for 26 years and have always enjoyed doing business with them. I feel, however, that the local business agents need financial and manpower help in solving this immense problem which in many cases is created by bakers outside of their jurisdiction. A co-ordinated organizing effort initiated and guided by you, as International President, would do much to help your teamster bakery drivers and their employers with teamster contracts.

Sincerely,

J. A. Jansson
J. A. Jansson

/jl

Philadelphia, Pennsylvania (Including Southern New Jersey)

Non-Union

Hershey Baking Co.
York, Penna.

Horn & Hardart Baking Co.
Philadelphia, Penna.

Tasty Baking Co.
Philadelphia, Penna.

Pepperidge Farm Bakery
(Campbell Soup Co. subsidiary)
Downingtown, Penna.

Ginsburg's Bakery
Atlantic City, N. J.

Mighty Good Baking Co.
Camden, N. J.

Schultz Baking Co.
Pottstown, Penna.

New England - Hartford, Conn., Providence, R. I.,
Springfield, Mass., Worcester, Mass.,
Boston, Mass., etc.

Non-Union

M. & M. Bakeries (Boston area)
Dover, N. H.

Anandam Baking Co. (Boston area)
Rockport, Mass.

My Bread Baking Co. (R. I., Mass.)
New Bedford, Mass.

Cushman Baking Co. (Maine, N.H., Mass.)
Portland, Maine
Lynn, Mass.

Schultz Baking Co. (Conn., Mass.)
Pottstown, Penna.

New England (cont'd.)

Non-Union

United Baking Co. (Conn., Mass.)
Schenectady, N. Y.

Homesstead Baking Co. (R.I.)
Providence, R. I.

Distributors of
Genest Bros., Inc. (Mass., R.I., Conn.)
Manchester, N. H.

Superior Bakery, Inc. (Mass., Conn.)
No. Grosvenordale, Conn.

Chas. Fraihofer Baking Co. (Mass., Conn.)
Albany, N. Y.

Newark, New Jersey (Northern New Jersey)

Schultz Baking Co. (Gourmet)
Pottstown, Penna.

Heimbach Baking Co.
Allentown, Penna.

United Baking Co.
Schenectady, N. Y.

Capital Bakers
Pottsville, Penna.

New York City

Heimbach Baking Co.
Allentown, Pa.

Schultz Baking Co. (Gourmet)
Pottstown, Penna.

Spaulding Bakeries
Hazleton, Penna.

New York City (cont'd.)

United Baking Co.
Schenectady, N. Y.

Arnold Bakers (Franchise Salesmen)
Port Chester, N. Y.

Pepperidge Farm, Inc. (Franchise Salesmen)
Norwalk, Conn.

Northern New York (Albany, Syracuse, Rochester,
Buffalo, Utica, etc.)

United Baking Co. (Albany)
Schenectady, N. Y.

Chas. Fraihofer Baking Co. (Albany, Saratoga)
Albany, N. Y.
Troy, N. Y.

Cross Baking Co. (Saratoga, N. Y.)
Montpelier, Vermont

Stroehmann Bros. Co. (Buffalo, Rochester,
Jamestown, Syracuse)
Olean, N. Y.
Smyre, Penna.

Piroh Baking Co. (Isamaster supply trucks -
Buffalo-Jamestown)
Erie, Penna.

Baltimore, Maryland

Amrhein Bros. Co.
Baltimore, Md.

Hauswald Bakery
Baltimore, Md.

E. H. Kosster Bakery Co.
Baltimore, Md.

Baltimore, Md. (cont'd.)

Rice's Bakery (The City Baking Co.)
Baltimore, Md.

Schmidt Baking Co.
Baltimore, Md.

Capitol Bakers
Coatesville, Penna.

Oriole Baking Co.
Baltimore, Md.

Jere Walters Baking Co.
Baltimore, Md.

Athens Baking Co.
Baltimore, Md.

H. & S. Bakery
Baltimore, Md.

Heying's Bakery (Teamster Transport Trucks only)
Baltimore, Md.

Glede Valley Products, Inc. (Frederick, Md.)
Walkersville, Md.

Washington, D. C.

Kern's Steam Bakery
Lynchburg, Va.

E. H. Koester Bakery Co.
Baltimore, Md.

Schmidt Baking Co.
Baltimore, Md.

Schmidt Baking Co.
Martinsburg, W. Va.

The Neuweiler Bakery
Baltimore, Md.

Royal Baking Co.
Front Royal, Va.

Norfolk, Va.

Kotarides Baking Co.
Norfolk, Va.

Back's City Bakery
Newport News, Va.

Hall' Products, Inc.
Portsmouth, Va.

Molda Bros.
Norfolk, Va.

New Orleans, La.

Holsum Bakeries (have 50% of market)
New Orleans, La.

Heeba's Bakery
Gretna, La.

Canton, Ohio

Storck Baking Co. (ABC-AFL-CIO)
Parkersburg, W. Va.

Wheeling, W. Va.

Storck Baking Co. (ABC-AFL-CIO)
Parkersburg, W. Va.

Kennedy's Bakery
Cambridge, Ohio

Rich-Loaf Bakeries
Newark, Ohio and Marietta, Ohio

Quimby's Holsum Bakery
Richardsville, Ohio

Betsy Ross Bakeries
Blawiefield, W. Va.
W. Williamson, W. Va.

Columbus, Ohio

Schaefer's, Inc.
Springfield, Ohio

Rich-Loaf Bakeries
Newark, Ohio and Mariette, Ohio

Pennington Bread
Washington Court House, Ohio

Perfection Bakery
Muncie, Ind.

Oklahoma City, Okla.

Golden Crust Bakery
Alva, Okla.

Mead's Bakery
Lawton, Okla.
Ada, Okla.

Scott's Holsum Bakery
Lawton, Okla.

Van's Baking Co.
Edmond, Okla.

Bille Bakeries
Chickasha, Okla.
Clinton, Okla.

Strain's Bakery
Duncan, Okla.

Turner Baking Co.
Durant, Okla.

Andy's Bakery
Hobart, Okla.

Ford's Bakery
Meadton, Okla.

John Small Bakery
Ardmore, Okla.

Oklahoma City, Okla. (cont'd.)

Schwauks Bakery
Sulphur, Okla.

Martha Ann Bakery
Shawnee, Okla.

Maywood Bakery
Okla. City, Okla.

Pearloss Bakery
Yale, Okla.

Tulsa, Oklahoma

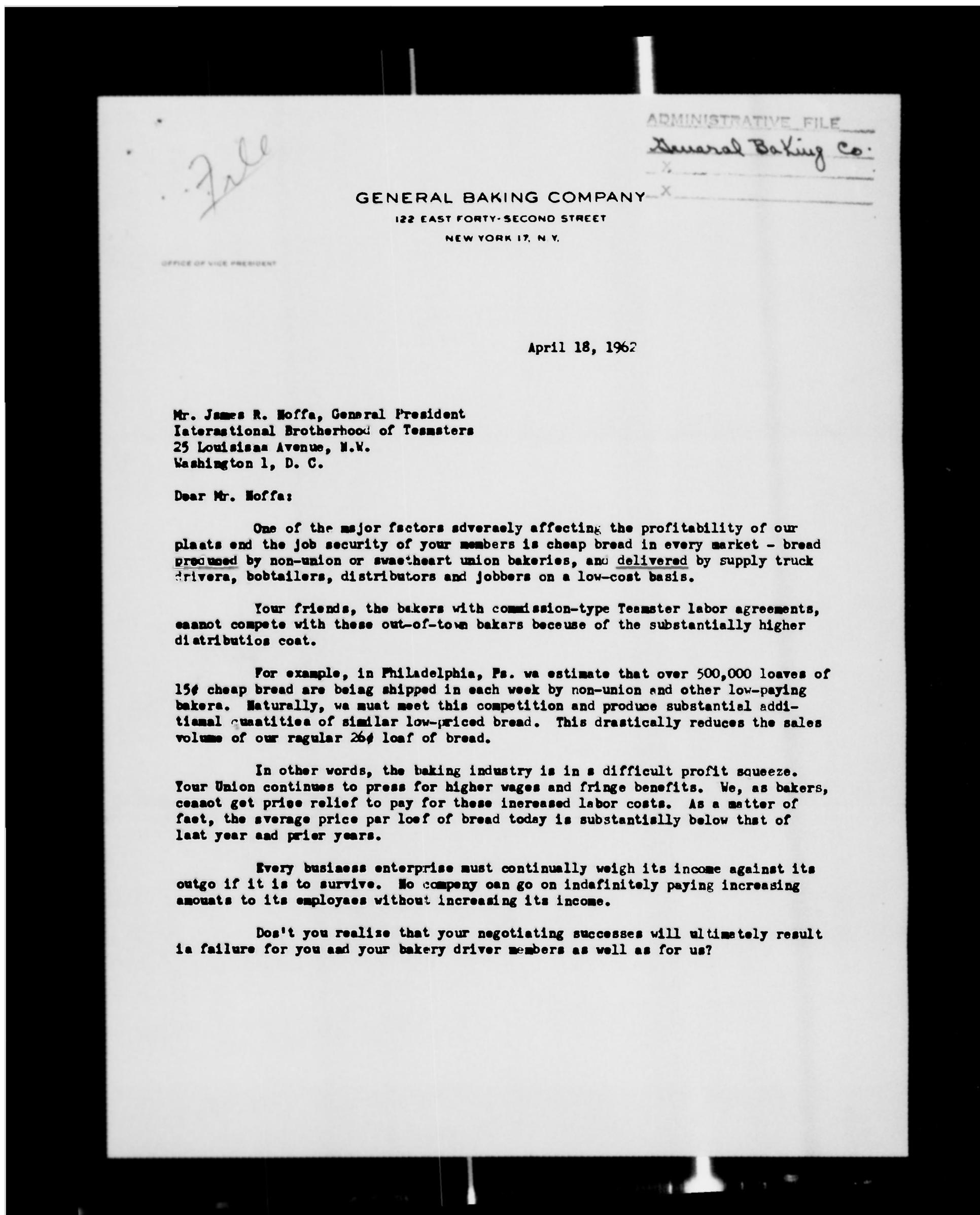
Golden Krust Bakery
Alva, Okla.

Wichita, Kansas

Bette Baking Co.
Hutchinson, Kansas

Dillon Bakeries
Wichita, Kansas

Bogart Bakery
Concordia, Kansas



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One way to provide your unionized baking companies with some relief is to educate your members on the value of wage increase restraint.

Another way to provide relief is for your Union to organize the unorganized, and thereby equalize our labor cost.

In the meantime, your Union should make available to us the same warehouse and store drop delivery method which your Erie, Pa. local granted to the Firth Baking Company.

Only you, as General President of the Teamsters International Union, can do the quick job needed to protect your bakery driver union members. Otherwise, more and more will lose their jobs through bakery and agency closings.

Sincerely,

J. A. Jonsson
J. A. Jonsson

/jl

ADMINISTRATIVE FILE
General Baking Co. of

April 18, 1962

Mr. James M. Hoffa, General President
International Brotherhood of Teamsters
25 Louisiana Avenue, N.W.
Washington 1, D. C.

Dear Mr. Hoffa:

One of the major factors adversely affecting the profitability of our plants and the job security of your members is cheap bread in every market - bread produced by non-union or sweetheart union bakeries, and delivered by supply truck drivers, bobtailers, distributors and jobbers on a low-cost basis.

Your friends, the bakers with commission-type Teamster labor agreements, cannot compete with these out-of-town bakers because of the substantially higher distribution cost.

For example, in Philadelphia, Pa. we estimate that over 500,000 loaves of 15¢ cheap bread are being shipped in each week by non-union and other low-paying bakers. Naturally, we meet meet this competition and produce substantial additional quantities of similar low-risen bread. This drastically reduces the sales volume of our regular 24¢ loaf of bread.

In other words, the baking industry is in a difficult profit squeeze. Your Union continues to press for higher wages and fringe benefits. We, as bakers, cannot get price relief to pay for these increased labor costs. As a matter of fact, the average price per loaf of bread today is substantially below that of last year and prior years.

Every business enterprise must continually weigh its income against its outgo if it is to survive. No company can go on indefinitely paying increasing amounts to its employees without increasing its income.

Don't you realize that your negotiating successes will ultimately result in failure for you and your bakery driver members as well as for us?

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One way to provide your unionized baking companies with some relief is to educate your members on the value of wage increase restraint.

Another way to provide relief is for your Union to organize the unorganized, and thereby涓alize our labor cost.

In the meantime, your Union should make available to us the same warehouse and store drop delivery method which your Erie, Pa. locals granted to the Fireh Baking Company.

Only you, as General President of the Teamsters International Union, can do the quick job needed to protect your bakery driver union members. Otherwise, more and more will lose their jobs through bakery and agency closings.

Sincerely,

J. A. Johnson
J. A. Johnson

/jl

cc: Messrs. Harold Gibbons✓
John Backhus
Thomas Flynn



AMERICAN BAKERS ASSOCIATION
GENERAL BAKING CO.

August 14, 1962

Mr. James A. Raffa, General President
International Brotherhood of Teamsters
23 Louisiana Avenue, N.W.
Washington 2, D. C.

Dear Mr. Raffa:

Your teamster bakery drivers are losing jobs and earnings because our plants are not competitive with non-union and sweetheart-union bakeries located within and outside of every market where we do business. First, their production costs are lower. Second, their delivery costs are lower.

In Philadelphia, Pennsylvania, a conservative estimate indicates that over 100,000 loaves of 13¢ cheap bread are being shipped in each week by Hershey Baking Company of York, Penn., a non-union baker, and by Schultz Baking Company of Pottstown, Penn., a sweetheart-union baker with Teamster supply truck and bakery members. Naturally, we must meet this competition and produce substantial additional quantities of similar low-priced bread. This drastically reduces the sales volume of our regular 26¢ loaf of bread.

In Buffalo, New York, a conservative estimate indicates that over 100,000 loaves of cheap bread are being shipped in each week by Breckinridge Baking Company of Glens, New York, a non-union baker, with 100 teamster drivers (sweetheart deal with complete flexibility), and by Pirch Baking Company of Erie, Penn., a sweetheart union baker with Teamster supply truck operators. At least 30 teamster commission-type salesmen have lost their jobs and the remaining several hundred have lost considerable earnings.

In Baltimore, Maryland, General Baking Company (wholesale and retail) and Ward Baking Company (wholesale only) have suffered for many years because of unfair competition by as many as 10 non-union bakers.

In Washington, D. C., the union bakers lost a \$1,500,000 annual contract from the Military District to a non-union baker by the name of Kern's Steam Bakery, shipping in from Luray, Virginia - 175 miles away.

- 2 -

In Norfolk, Virginia, General Baking Company and Merchants Bakery are the only union bakers. Here again your members and our company has suffered immensely by many non-union bakers, the foremost being Kestrides Baking Co.

In Wheeling, West Virginia, and Canton, Ohio, General Baking Co. and several others have had teamster drivers for many years. About a year or so ago, the Stork Baking Company of Parkersburg, West Virginia (production and sales people organized by the American Bakers and Confectionery Workers-AFL-CIO) underbid us and other union bakers for private label bread in 150 stores A.C. Stores throughout Ohio and West Virginia. The deliveries are drop shipments by supply truck which results in considerably lower delivery cost thus we must pay under our teamster contracts. However, we lost out and so did your drivers in these two places.

The above are examples of our actual problems. A more detailed list is attached.

As I have mentioned before, I have dealt with the Teamsters for 26 years and have always enjoyed doing business with them. I feel, however, that the local business agents and financial can never help in solving this immense problem which to many areas is created by bakers outside of their jurisdictions. A coordinated organizing effort initiated and guided by you, as International President, would do much to help your teamster bakery drivers and their employers with teamster contracts.

Sincerely,

J. A. Jonsson
J. A. Jonsson

/jl

cc: Messrs. Harold Gibbons ✓
John Backhus
Thomas Flynn

Philadelphia, Pennsylvania (Including Southern New Jersey)

Non-Union

Bershey Baking Co.
York, Penna.

Harr & Herbert Baking Co.
Philadelphia, Penna.

Tasty Baking Co.
Philadelphia, Penna.

Pepperidge Farm Bakery
(Campbell Soup Co. subsidiary)
Lewington, Penna.

Ginsburg's Bakery
Atlantic City, N. J.

Mighty Good Baking Co.
Camden, N. J.

Schultz Baking Co.
Pottstown, Penna.

New England - Hartford, Conn., Providence, R. I.,
Springfield, Mass., Worcester, Mass.,
Boston, Mass., etc.

Non-Union

H. & H. Bakeries (Boston area)
Somerville, Mass.

Aspinwall Baking Co. (Boston area)
Rockport, Mass.

My Bread Baking Co. (R. I., Mass.)
New Bedford, Mass.

Cushman Baking Co. (Maine, C. H., Mass.)
Portland, Maine
Lynn, Mass.

Schultz Baking Co. (Conn., Mass.)
Pottstown, Penna.

New England (cont'd.)

Non-Union

United Baking Co. (Conn., Mass.)
Schenectady, N. Y.

Homestead Baking Co. (R.I.)
Providence, R. I.

Distributors of
Gourmet Bros., Inc. (Mass., R.I., Conn.)
Worcester, R. I.

Superior Bakery, Inc. (Mass., Conn.)
Rte. Greenfield, Conn.

Chas. Friedlander Baking Co. (Mass., Conn.)
Albany, N. Y.

Newark, New Jersey (Northern New Jersey)

Schultz Baking Co. (Gourmet)
Pottstown, Penna.

Heimsoth Baking Co.
Allentown, Penna.

United Baking Co.
Schenectady, N. Y.

Capital Bakers
Pottsville, Penna.

New York City

Hatchcock Baking Co.
Allentown, Pa.

Schultz Baking Co. (Gourmet)
Pottstown, Penna.

Spelman Bakers
Montgomery, Penna.

New York City (cont'd.)

United Baking Co.
Schenectady, N. Y.

Arnold Bakers (Franchise Salesmen)
Poughkeepsie, N. Y.

Pepperidge Farm, Inc. (Franchise Salesmen)
Norwalk, Conn.

Northern New York (Albany, Syracuse, Rochester, Buffalo, Utica, etc.)

United Baking Co. (Albany)
Schenectady, N. Y.

Chas. Prothofer Baking Co. (Albany, Saratoga)
Albany, N. Y.
Troy, N. Y.

Gross Baking Co. (Saratoga, N. Y.)
Montpelier, Vermont

Strohman Bros. Co. (Buffalo, Rochester, Jamestown, Syracuse)
Olean, N. Y.
Sayre, Penna.

Fireh Baking Co. (Teamster supply trucks -
Buffalo-Jamestown)
Erie, Penna.

Baltimore, Maryland

Marheim Bros. Co.
Baltimore, Md.

Haaswald Bakery
Baltimore, Md.

L. B. Keester Bakery Co.
Baltimore, Md.

Maryland (cont'd.)

Moo's Bakery (The City Baking Co.)
Baltimore, Md.

Schmidt Baking Co.
Baltimore, Md.

Capital Bakers
Costeville, Penna.

Oriole Baking Co.
Baltimore, Md.

Jose Wolters Baking Co.
Baltimore, Md.

Athens Baking Co.
Baltimore, Md.

H. & S. Bakery
Baltimore, Md.

Hoying's Bakery (Teamster Transport Truck: only)
Baltimore, Md.

Glade Valley Products, Inc. (Frederick, Md.)
Walkersville, Md.

Washington, D. C.

Korn's Steam Bakery
Lynchburg, Va.

E. H. Doester Bakery Co.
Baltimore, Md.

Schmidt Baking Co.
Baltimore, Md.

Schmidt Baking Co.
Martinsburg, W. Va.

The Hauwald Bakery
Baltimore, Md.

Royal Baking Co.
Front Royal, Va.

Norfolk, Va.

Kotarides Baking Co.
Norfolk, Va.

Boen's City Bakery
Newport News, Va.

Hall Products, Inc.
Portsmouth, Va.

Balds Bros.
Norfolk, Va.

New Orleans, La.

Holman Bakeries (have 35% of market)
New Orleans, La.

Reeb's Bakery
Gretna, La.

Cent.-e. Ohio

Stork Baking Co. (ABC-AFL-CIO)
Parkersburg, W. Va.

Wheeling, W. Va.

Stork Baking Co. (ABC-AFL-CIO)
Parkersburg, W. Va.

Kennedy's Bakery
Cambridge, Ohio

Rich-Lawn Bakeries
Newark, Ohio and Marietta, Ohio

Cooley's Holman Bakery
Richfield, Ohio

Betsy Ross Bakeries 12 Bldgs
Kosciusko, W. Va.
W. Williamson, W. Va.

Columbus, Ohio

Schaefer's, Inc.
Springfield, Ohio

Rich-Loaf Bakeries
Newark, Ohio and Marietta, Ohio

Pennington Bread
Washington Court House, Ohio

Perfection Bakery
Muncie, Ind.

Oklahoma City, Okla.

Golden Crust Bakery
Alva, Okla.

Mead's Bakery
Lawton, Okla.
Ada, Okla.

Scott's Melvin Bakery
Lawton, Okla.

Van's Baking Co.
Edmond, Okla.

Belle Bakeries
Chickasha, Okla.
Clinton, Okla.

Strain's Bakery
Duncan, Okla.

Turner Baking Co.
Enid, Okla.

Andy's Bakery
Robert, Okla.

Ford's Bakery
Sealston, Okla.

John Small Bakery
Artemore, Okla.

Oklahoma City, Okla. (cont'd.)

Schwanke Bakery
Sulphur, Okla.

Martha Ann Bakery
Shawnee, Okla.

Maywood Bakery
Okla. City, Okla.

Peerless Bakery
Tulsa, Okla.

Tulsa, Oklahoma

Golden Krust Bakery
Alva, Okla.

Wichita, Kansas

Bette Baking Co.
Hutchinson, Kansas

Lillian Bakeries
Wichita, Kansas

Bogart Bakery
Concordia, Kansas

General Baking Co.

March 21, 1962

Mr. James R. Hoffa, General President
International Brotherhood of Teamsters
25 Louisiana Avenue, N.Y.
Washington 1, D. C.

Dear Mr. Hoffa:

On March 19, Mr. Gibbons and I discussed the problem of how to salvage
the Home Service and Wholesale Bakery Drivers who are members of your Union. We
also discussed allied problems adversely affecting the baking industry.

I am writing you again because yesterday, March 20, I had the unfortunate
assignment of advising your Fitchburg, Massachusetts Business Agent, Oscar Johnson,
that General Baking Company must close the Home Service operation in his area on
April 14, 1962. Economic reasons compel the closing.

We closed our Dover, New Hampshire Home Service Agency on March 17 for
the same reason. There were 20 routes in Dover and 26 routes in Fitchburg. You
are losing about 60 Teamster members.

We anticipate closing several more agencies in New England over the next
few months. Other Home Service closings will take place in every part of the entire
Atlantic Coast area.

As I mentioned to you in my letter of March 8, you have lost better than
400 members - bakery Drivers - during the past nine months in the east. You stand
to lose, over the next twelve months, as many as 2,000 members in addition - Bakery
Drivers.

One of the major factors causing all this trouble is cheap bread in every
market - bread produced by non-union or sweetheart union bakeries, and delivered by
supply truck drivers, habbtailers, distributors and jobbers on a low-cost basis.
Dear friends, the bakers with commissaries-type Teamster labor agreements, cannot
compete with these cut-of-the-bakers.

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An effective aggressive way to correct this condition is for your Union to organize the unorganized, and equalize our labor costs.

Only you, as General President of the Teamsters International Union, can do the kind job needed to protect your bakery driver union members. Otherwise, more and more will lose their jobs through bakery see agency closings.

Minearly,

J. A. Jonsson
J. A. Jonsson

/jl
cc: Mr. Harold J. Kibbey ✓

ADMINISTRATIVE FILE ✓
General Baking Company
-X Jonsson, J. L.
X

March 14, 1962

Mr. J. A. Jonsson
General Baking Company
122 East Forty-Second Street
New York 17, New York

Dear Mr. Jonsson:

Your letter of March 8th, addressed to President Hoffa has been received in this office. I would suggest that you make arrangements to visit Washington at your earliest convenience and I will be happy to discuss this problem with you. President Hoffa's schedule is such as to prevent his sitting in and he has asked me to meet with you instead.

If the above is satisfactory, please phone me and we will set the necessary appointment.

Very truly yours,

H. J. Gibbons
Executive Assistant
to the General President

HJG/mc

GENERAL BAKING COMPANY
122 EAST FORTY-SECOND STREET
NEW YORK 17, N.Y.

OFFICE OF VICE PRESIDENT

Harold

March 8, 1962

Mr. James R. Hoffa,
General President
International Brotherhood
of Teamsters
25 Lomisians Avenue, N.W.
Washington 1, D. C.

Dear Mr. Hoffa:

On May 12, 1961 I wrote to you asking for some help and consideration by you and the Teamsters regarding the high cost of selling and delivering baked goods to the homes.

Within a day or two, you delegated Al Weiss to see me, which he did. I gave him voluminous facts about the problem.

I wrote up a brief resume of conditions with examples and mailed them to Al Weiss on May 31, 1961.

Around the latter part of October, Al Weiss and Wendell Phillips met with me. I told them the problem.

In the meantime, quite a number of companies have gone out of business in New England (Newton-Robinson in Hartford, Conn., Morck & Stevens in Bridgeport, Conn.) and New York City (Krug Baking), Freihofer Baking Company of Philadelphia, Pa. is hurting badly. Hathaway Bakeries in Syracuse, N. Y. is about done. Continental's Hall Baking Co. in Somerville, Mass. threatened to go out of business and obtained a free ride except for fringe benefit adjustments. My company is bleeding to death.

Just analyzing the above loss in membership, a close estimate shows that you lost better than 600 members - bakery drivers. You stand to lose over the next twelve months as many as 2000 members in addition.

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The same conditions we face in home service apply to wholesale operations in every city where we operate - cheap bread is being produced outside our markets and shipped in on a drop delivery basis. This results in our inability to compete satisfactorily because we pay commissions to our Teamsters' bakery drivers vs. little cost by the out-of-town baker to his supply truck driver. Therefore, we get underbid constantly and lose business.

For example, in Buffalo, N.Y., Strohman out of Olean, N.Y. and Firth out of Erie, Pa. are killing your bakery drivers and four companies, namely General, Continental, national biscuit, and Interstate. Your Business Agent, Robert A. Smith, can give you full details on this.

This is a serious problem which must be solved without delay. Too much business is being lost by us, and too many Teamster bakery drivers are being hurt either in the form of lost earnings or lost jobs.

I would appreciate an appointment with you to exchange ideas on the subject.

Sincerely yours,

J. A. Jonsson
J. A. Jonsson

/jl

ADMINISTRATIVE FILE
General Baking Company
X
X

November 28, 1961

Mr. Wendell J. Phillips, Sec.-Treas.
National Bakery Division
2450 17th Street
San Francisco 10, California

Dear Sir and Brother:

I am in receipt of your report on the meeting held
with General Baking Company and take this opportunity to
thank you for your assistance on this matter.

Fraternally yours,

James R. Hoffa
General President

JRH/yk

November 20, 1961

TO: Mr. James R. Hoffa
FROM: Messrs. Wendell J. Phillips and Abraham Weiss *per*
RE: General Baking Company

In accordance with your request, we met with Mr. J.A. Jonsson, Vice-President (Labor Relations) of the General Baking Company. Mr. Jonsson repeated essentially the same points contained in Mr. Weiss' September 26th memo to you (attached). He gave examples where he stated that his company is at a competitive disadvantage either because of non-union bakeries coming into areas in which his company operates, or because union competitors are working under contract with other Local Unions at lower wages and conditions than his company is required to pay in the same market.

His primary complaint, however, was with respect to the house-to-house branch of the baking industry. He stated that his company would have to have relief or the company would close their bakeries and go out of the house-to-house business. This is the situation facing the Holmes Bakery operation in Washington, D. C. They are currently operating in excess of 1700 house-to-house routes primarily concentrated in the New England, Northern New Jersey, Philadelphia and Baltimore and Washington areas. With respect to this portion of his business, and response to a question from Mr. Phillips, he stated that approximately one-half of their house-to-house business consists of bread products, and the other one-half sweet dough, pie and cake products. Mr. Phillips pointed out that the most successful house-to-house bakers have approximately 40% of their volume in bread products and 60% in the higher profit margin sweet dough, pie and cake products. He indicated that this was possibly one of the reasons why the company might be in difficulty. Mr. Jonsson stated that the local union in Philadelphia had been extremely co-operative in attempting to grant relief by acceding to the company's request for a variation of the 5 day week to five weeks worked at 6 days, with the sixth week off. However, he complained that this had not solved his problem and they were back where they started in the Philadelphia area.

To: Mr. James R. Hoffa
From: Wendell J. Phillips and Abraham Weiss
Re: General Baking Company
Page 2.

Mr. Phillips questioned Mr. Jonsson extensively in order to determine just exactly what sort of relief the company was seeking. He was difficult to pin down, but eventually he stated that the only thing that could save the operation, in his opinion, was to convert all of the routes to a so-called franchise or independent operator status. Of course, you know that such a change would eliminate all of the fringe benefits such as pensions, health and welfare, vacations, holidays, etc., that have been built up over many, many years of collective bargaining. We stated that in our opinion the unions involved would never agree to this type of operation. It so happened that the Policy Committee of the Bakery Division of the Eastern Conference of Teamsters was meeting the following day in Philadelphia, and Mr. Phillips informed Mr. Jonsson that he would relay Mr. Jonsson's statements to that Committee. Mr. Phillips did so relay Mr. Jonsson's statements in Philadelphia and as expected, the Representatives there present indicated their unalterable opposition to the granting of this type of relief.

We don't know whether he will actually close their plants if the Unions do not agree to convert to franchise operation. That is something the Unions involved are in a better position to determine. However, it is our opinion that if he does, the chances are that some competitor will probably fill the vacuum.

We did indicate, with respect to his complaint about non-union competition, that it was the policy of our Union to do our very best to organize the un-organized, and that we would request the Local Unions involved where this situation existed to attempt to organize non-union competitors.

Mr. Jonsson stated he believed the International Union should undertake to organize the industry in order to protect the unionized areas.

Bakery Wagon Drivers and Salesmen

Local Union No. 484

ROOM 101, I. A. of M. WELFARE BUILDING, 2450 - 17th STREET
San Francisco 10

Telephone HEmlock 1-1461

Hours — 8:30 a.m. to 5:30 p.m.



November 17, 1961

Air Mail

Mr. Abraham Weiss
International Brotherhood of Teamsters
25 Louisiana Ave., N.W.,
Washington 1, D.C.

Dear Al:

Enclosed please find my comments on your suggested draft
of a memo to Hoffa.

I would suggest that you work them in along with your state-
ments as being our joint report.

Fraternally yours,

Wendell J. Phillips
Wendell J. Phillips
Secretary

WJP/lp
enc/
ope-3-afl-cio(7)

Mr. Johnson - General Banking (1)
Mon. 11/26/61

E.C.T. mtg. [redacted] - sent copy of
corresp. (AW & GRH)

Things to do

- (1) Straighten out sales & advertising
- (2) I.B.T. - we have to organize

Co. letter - Whiting W.R. - Co
trying to fit Regency common
points, tele & 800 goods.
Local concern, but B.H. concern
(checked it down. (+ assistance by
Hartman).
Last mo (starting 10/22 -
Syracuse Billing Co + Parchment Co
B.W. - Stanley drop deliv.
to Turce stores (no stores) no
common. Several & others, except
Continental (Worlent) were passed out of
stores. (over)

1. 1BT radios + 1BT com. unit.
(to Stock - by best 50) -
1BT com can't compete!

Co Thru Stock is ABC market
out in Parkersburg
Ogallala in Wheeling - 1BT

M+K Stores (31-yrs stores) in
Wheeling - Woffles is alleged
to have bought in - + supplies
Stores with own product - Woffles
is still in stores (all others backed
out) best 50 - Martins
Ferry

Says local stage drill should
reorganize.

General + Wark show losses - 12% from
1961. Government - sales + units are
down on backed roads

(2)

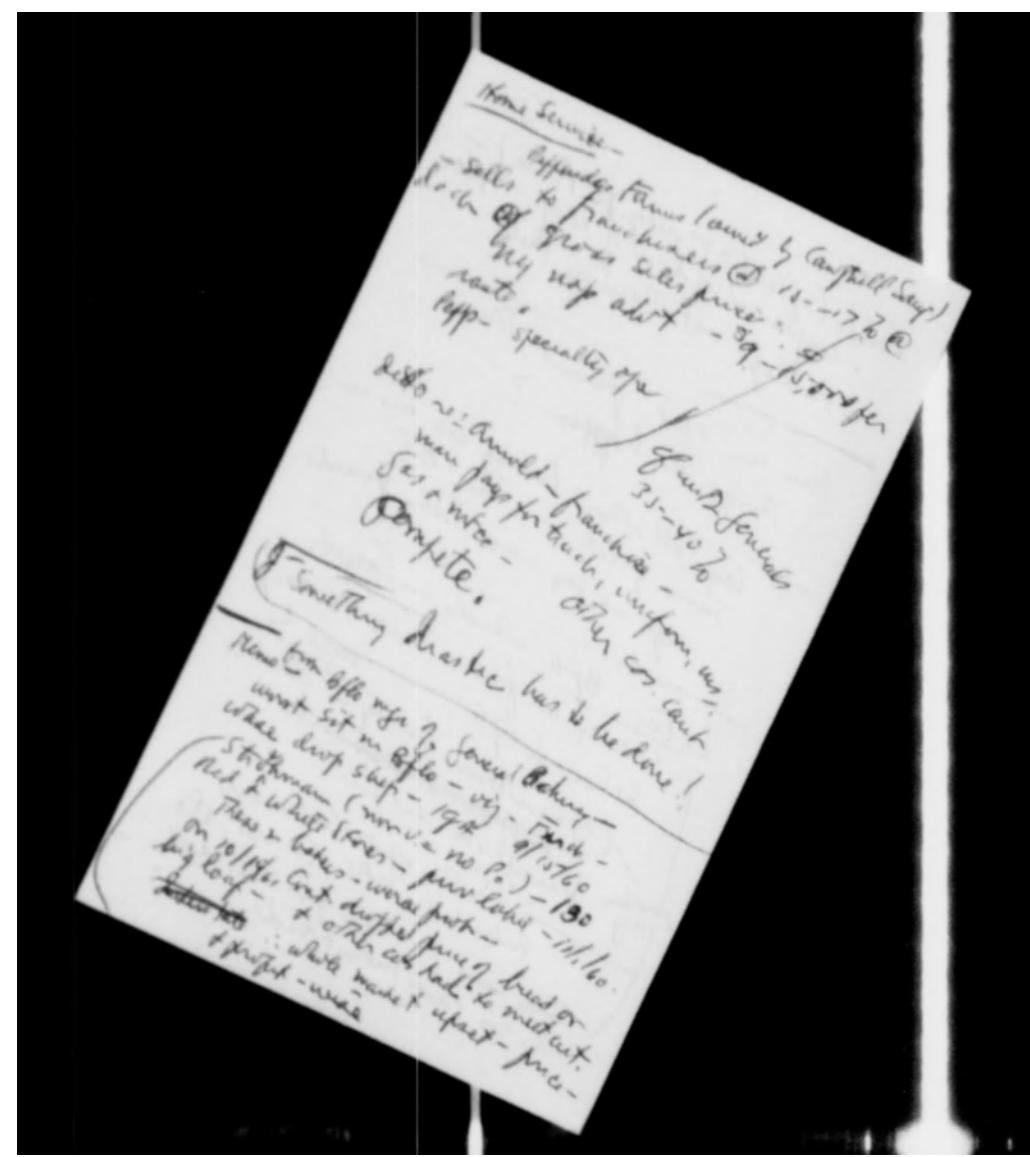
Locals (after E&T rating) via Philo) —
complaints of loss of corp — after
W Phillips met them in Philo

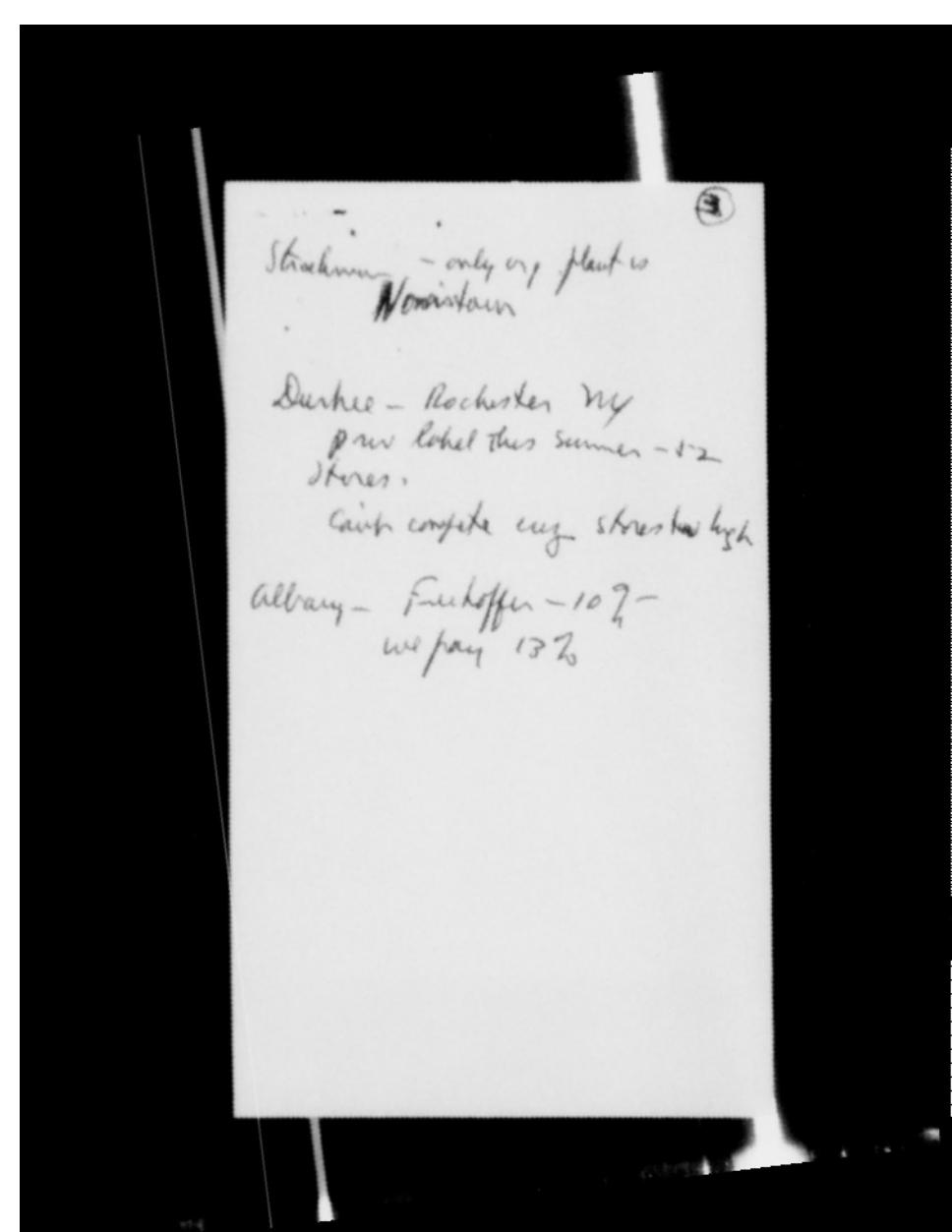
How can IBT permit these
things to happen?

— says all other bakery cos are in
same position — The IBT
says we say we're their friends

— cities often wholesale — Fresh
coming in from Erie and drop
delivered to IBA ^{now by}
(Gannett Baking — double
of workers ~~now~~ to
now present 100 less) —

— This effect (continued),
Institute, NBC, Sanger, etc
Final saves 12-13% per sales dollar —
other cos don't submit bids





C
O
P
Y

Mr. Wendell L. Phillips
National Bakery Division
International Bro. of Teamsters
2450 - 17th Street
San Francisco 10, California

Dear Wendell:

Enclosed is a rough draft of the results of our
meeting with Mr. J. A. Johnson, General Baking Company.
Please make any changes or additions you feel
necessary and return to me.

Faternally yours,

Abraham Weiss
Economist

AW/lp
Encl.

Bo-Kerry

ADMINISTRATIVE FILE
General Baking Co.

X
X

November 1, 1961

6-1053-29M

ROUGH DRAFT

TO: Mr. James R. Hoffa
FROM: Meers, Wendell L. Phillips and Abraham Weiss

RE: General Baking Company

This is a follow-up to Mr. Weiss' memo to you of September 26. In accordance with your memo, we saw Mr. J. A. Johnson, Vice President (Labor Relations) of the company.

Mr. Johnson repeated essentially the same points contained in the September 26 memo to you. He cited the same examples where his company is at a competitive disadvantage either because non-union firms come into the areas which they serve, or because their rates and conditions are higher than those of their competitors in the same area, because these competitors have agreements with other Teamster local unions.

Mr. Johnson stated that the home service (house-to-house) delivery situation was critical and that he was seeking some relief or the company would get out of the house-to-house business. He indicated at this point that he realizes that neither the company nor the local union can ask for a reduction in commissions on this type of service.

However, he indicated that the company, in order to salvage and retain house-to-house was seriously considering going on a franchisee (owner-operator) basis. We indicated to him that the union was not prepared to give away what it had fought for over the years by accepting this type of delivery system.

Mr. Johnson also urged that the Teamster local unions with jurisdiction in

in the bakery industry organize non-union bakeries. Mr. Phillips indicated that he was going to attend the Policy Committee of the Eastern Conference Bakery Division in Philadelphia the next day and would relay Mr. Johnson's request to them.

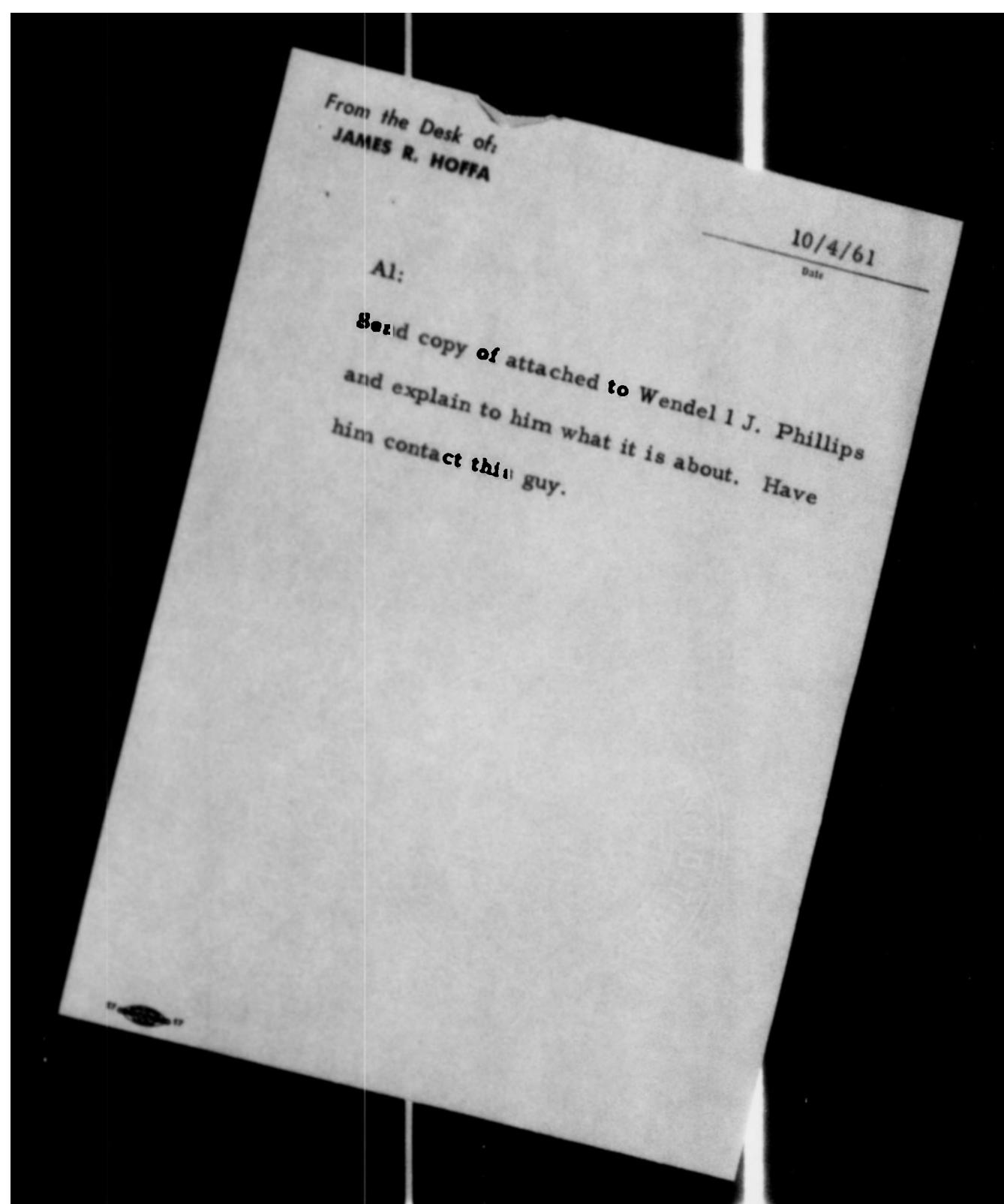
Mr. Phillips brought out during the course of the discussion that the route averages in this company are too low and also that the company is not selling a high enough proportion of the higher margin sweet goods and other commodities and that the percentage of bread in relation to sweet goods on any given route was too high.

Mr. Johnson indicated that in Washington, D. C. the company was considering eliminating their home service operation (Holmes Bakery) unless they got relief. In the Newark area Mr. Johnson maintained the company pays the highest rates (commissions and fringes) for home service delivery than anywhere else, while its competition in the same area pays lower rates under a contract with another Teamster local union.

In response to the basic problems of non-union operators coming into non-union markets with cheap bread and a private label, we pointed out that the answer was not to drag union conditions down to non-union levels.

For your information, we learned that the company presently operates about 1,700 house-to-house routes. Taking into ~~not~~ account swing men, packers, working supervisors, etc., etc., this represents 2,000 to 3,000 employees.

AM/lp



Boating Work

ADMINISTRATIVE FILE
General Baking Co.

October 4, 1961

C
O
P
Y

Mr. Wendell J. Phillips
Teamsters' National Bakery Div.
2450 - 17th Street
San Francisco 10, Calif.

Dear Wendell:

As a follow-up to our talk today, I am sending you a photocopy of a memo which I drafted to General President Hoffa on the problems of the General Baking Company. A copy of this Company's letter to General President Hoffa is also enclosed.

Mr. Hoffa asked me to send you a copy of this memo, to discuss it with you, and to request you to get in touch with Mr. Jonason of General Baking Company.

Let's discuss this during the Western Conference meeting for further action.

Faternally yours,

Abraham Weiss
Econ. hist

AW/lp
Encle.

MEMORANDUM

TO: James R. Hoffa
FROM: A. Weiss

September 26, 1961

I met with Mr. J. A. Jonsson, Vice President (Labor Relations), General Baking Company, in accordance with your memo to me dated May 16, 1961. Your memo and Mr. Jonsson's letter of May 12, addressed to you, are attached.

Mr. Jonsson stated that he wrote to you because this is a general problem for the International Union, its various locals, the company and the industry.

Mr. Jonsson emphasized the following points, some of which deal with home service (house-to-house) delivery and others with wholesale (store) delivery. You will note that in some instances, the problem is non-union competition; in others, it is union competition operating under different (more favorable) contracts because there are different Teamster locals in the same market.

Attached to this memo is a tabulation of three markets in which the company operates, which compares General Baking Company's wage and commission schedule with union and non-union competitors and the drivers' earnings at specific dollar route averages.

Mr. Jonsson's points are as follows:

House-to-House Deliveries

1. Non-union bakers pay their driver-salesmen lower commission rates than General Baking (and other union firms).

For example, in upper New England (Massachusetts, Dover, N.H., and Portland, Maine), General has to compete with Cushman's, which operates on a franchise basis under which the driver owns the truck, buys bread at 30%, must post bond, stands his own credit, is restricted on returns, is responsible for gas, oil, insurance, etc.

Another example: Of 16 bakeries in the Baltimore area, in only 3 are the production people organized (General, Ward and Pariser) and in only 5 (General, Ward, Heying, Pariser and Mrs Smith's) are the driver-salesmen organized. (One of these five -- Heying -- delivers only by hourly rated Transport Drivers).

General Baking Company's commission for retail (home service) routes in Baltimore is 25% plus \$7.50 base. The company's leading competitors (Capitol and Rice), which are unorganized in their production and distributing operations, pay 20% commission, with no base.

In addition, General contributes \$3.50 for health and welfare and \$4.00 for pensions per week per employee.

The Baltimore market is also unique in that home service milk driver-salesmen deliver bread, rolls and sweet goods such as doughnuts to the customer as an incidental and additional source of business to their normal operations. The commissions

Mr. J. R. Hoffa

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September 26, 1961

paid by the dairy companies (some of which are IBT-organized) are less than General's commission rate, as shown in the attached table.

2. General Baking pays higher commissions than other union bakers in the same market.

This situation arises because different Teamster locals operate in the same market, as, for example, Bridgeport, Conn. and Northern New Jersey.

The company cited Dugan Bros. in both locations to illustrate its point.

In Newark, General Baking deals with Local #194; Dugan deals with three other IBT locals. Dugan's contract provides 6 day (swing man) operation; General operates on 5 day basis (drop out). The different commission schedules and "earnings" potential are summarized on the attached "Earnings" tabulation.

In Bridgeport, General Baking is covered by the New England Master Bakery agreement; Dugan is not. General's contract calls for 5 day operation; Dugan's operates 6 days. See tabulation for commissions and earnings comparison.

3. Cheap wholesale bread in home-service markets supplied by non-union bakers outside these markets.

Examples:

Philadelphia --

Schultz Baking Company - Pottstown, Pa.
Rossi Baking Company - Trenton, N.J.
Hershey Baking Company - York, Pa.

Schultz -- Production workers organized by Retail and Wholesale Union with rates about 30¢ an hour below Philadelphia rates; delivery men unorganized./1 Schultz sells bread at the dock for 11¢ to bobtailers who sell it to the stores at 13¢. The customer's price is 15¢.

Northern New Jersey --

Heimbach Baking Company - Allentown, Pa.
United Baking Company - Schenectady, N.Y.

Heimbach -- Delivers bread by supply trucks to chain stores (private label), warehouse delivery.

United -- Grocery co-op, including a bread bakery. Non-union bobtailers deliver to Newark and Harlem (NYC) a king-size bread selling for 2-5¢ less than General's wholesale price.

Schultz also supplies Gourmet in the Northern New Jersey area with a private label brand, on an hourly, warehouse delivery basis. Gourmet is under contract to Local #194 providing for wholesale delivery to Gourmet stores at a lesser commission than General Baking Company's contract with Local #194. General claims its commission rate is at least double Gourmet's rate. Gourmet stores

/1 - Jack Backhus forced the Schultz bobtailers to pay Health and Welfare and Pensions and dues to his Local.

Mr. James R. Hoffa

-3-

September 26, 1961

sell bread on weekends or for an entire week for 9-11¢ a loaf, and General claims it can't compete.

New England --

Charles Freihofer Baking Company - Albany, N. Y.
United Baking Company - Schenectady, N. Y.
Gerrest Baking Company - Manchester, N. H.
Stroehman Baking Company - Hazelton, Pa.

4. Chain-store bakeries provide cheap bread in home-service markets without paying home-service commissions.

It is in the comparatively lesser wage payments to delivery men that chain store bakeries derive their greatest competitive advantage. In the majority of instances in Baltimore, the chain store driver and his helper, if any, are hourly paid employees or are on a flat weekly wage.

As a result, chain store bread is sold at a lower price. In Baltimore, for example:

	<u>15 oz.</u>	<u>16 oz.</u>	<u>20 oz.</u>	<u>24 oz.</u>
General Baking	24¢	26¢		
Acme Markets	2/35¢		26¢	
	21¢			
Food Fair	2/35¢		25¢	
A & P	2/35¢		26¢	
Grant Stores	2/35¢		26¢	
Penn Fruit	2/35¢	25¢	26¢	

Thus, food store chains in Baltimore enjoy a price differential of 3¢ to 6¢ per loaf of bread of comparable size.

In New York, the price differential is 6-7¢ a loaf at the store level.

5. Union bakers from outside the market supply chain stores with private label, cheap bread on a warehouse-delivery basis.

Examples:

Northern New Jersey --

Spaulding Baking Company for Food Fair Stores

New England --

Gerrest Baking Company - Manchester, N. H.

Mr. James R. Hoffa

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September 26, 1961

Wholesale Deliveries

1. Grocery chain serviced by union commission drivers makes a deal with a union baker outside the market for warehouse delivery.

Example:

Firsch, Erie, Pa. - supplies Buffalo (N.Y.) IGA chain with private label on warehouse delivery basis by supply trucks. The Buffalo local had rejected a request for lower commissions by large wholesale bakers (General, Continental, Interstate and National Biscuit Co.).

2. Chain stores operating their own bakeries, with deliveries on hourly-rate, drop-shipment basis.

The above outline highlights the main points of Mr. Jonsson's analysis of the problems facing his company, the industry, and our locals.

During the discussion, he also made additional comments which may be of interest. Higher commission rates, he maintained, do not seem to provide the incentive they should. Driver-salesmen seem to remain content with their past level of earnings rather than hustle for new sales to counteract higher commissions. Sales go down almost as much as the rise in commission rates.

Re: House-to-House

Sales are necessarily limited on 5-day operations. Bakers can't pay higher commissions unless they get higher sales, but the company can't get sales up if time is limited on a 5-day week basis.

Another squeeze on home service, he stated, is that the unions don't realize that house-to-house can't pay as much as wholesale because of the difference in volume of sales. On the average, sales in home service are half those on wholesale routes. Yet fringe benefit contributions, etc. are the same for both branches of the industry.

Another problem is that home service drivers insist on early starting time, just as wholesale drivers. Leaving the bakery at 5:30 A.M. means that the driver can't show the housewife the full line; he can only leave bread on the doorstep.

The company has tried to get into allied products at a lesser commission (in New England, for example). This isn't the answer, he feels, since the company has bakery plants to support and these products dilute the driver's time in selling baked goods.

Mr. James R. Hoffa

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September 26, 1961

The baking industry needs a moratorium, he maintained, if they can get a 6 day operation at no increased cost over 5 day operation -- this will help the men, the unions, and the company.

He complained of the fact that one Teamster local disregarded or ignored what another local gave to a competitor. For example, he said, Dugan is "losing its shirt" at lower commission rates than General has to pay, and General is also losing at the higher commission rates.

A lesser commission does not materially help the baker as against warehouse delivery. The company prefers warehouse delivery -- by supply truck to the dock of a common warehouse. This means two types of delivery in a single market (commission deliveries to the small stores). A lower commission does, however, tend to help the industry in justifying lower prices to the Federal Trade Commission.

General's New England and Newark markets are operating at a loss, maintained, with the losses supported by the rest of the company's operations.

Automation of manufacturing operations, with fewer workers, has helped to support the route commission system.

Mr. Jonsson cited the Northern New Jersey market as illustrating the "load" on home service delivery. The scale is \$10 base plus 27% commission. On a \$400 route average, this represents 29 $\frac{1}{2}$ %. As of May 1, 1961, the company's contributions for health and welfare and pensions will go to \$15 a week. This represents an additional 5 $\frac{1}{2}$ %, making a total of 35% (excluding uniforms, vacations, holidays, etc.)

To stay in business and make a profit on home service delivery, the maximum commission outlay should not exceed 30%.

Re: Wholesale Delivery

To be fully competitive with chain stores, the wholesale bakers need warehouse delivery with commissions no higher than the present level to apply to the "Mom & Pop" routes. Although the impact of fringe benefit costs is less on wholesale routes, because of higher route averages, there are more and more chain store bakeries and, therefore, less business for the wholesale bakers.

The basic need, he maintained, in both wholesale and house-to-house, is more sales (but a 5-day week serves as a brake on greater sales, especially house-to-house).

Jonsson doesn't know what the long run will provide. The market is shrinking; chain stores are doing their own baking; chain stores provide only limited display space to the wholesale brands; more "Moms & Pops" are disappearing.

He believes the industry has reached a saturation point in costs and that it needs a moratorium. The only way to stay in business is to get the cost to

Mr. James R. Hoffa

-6-

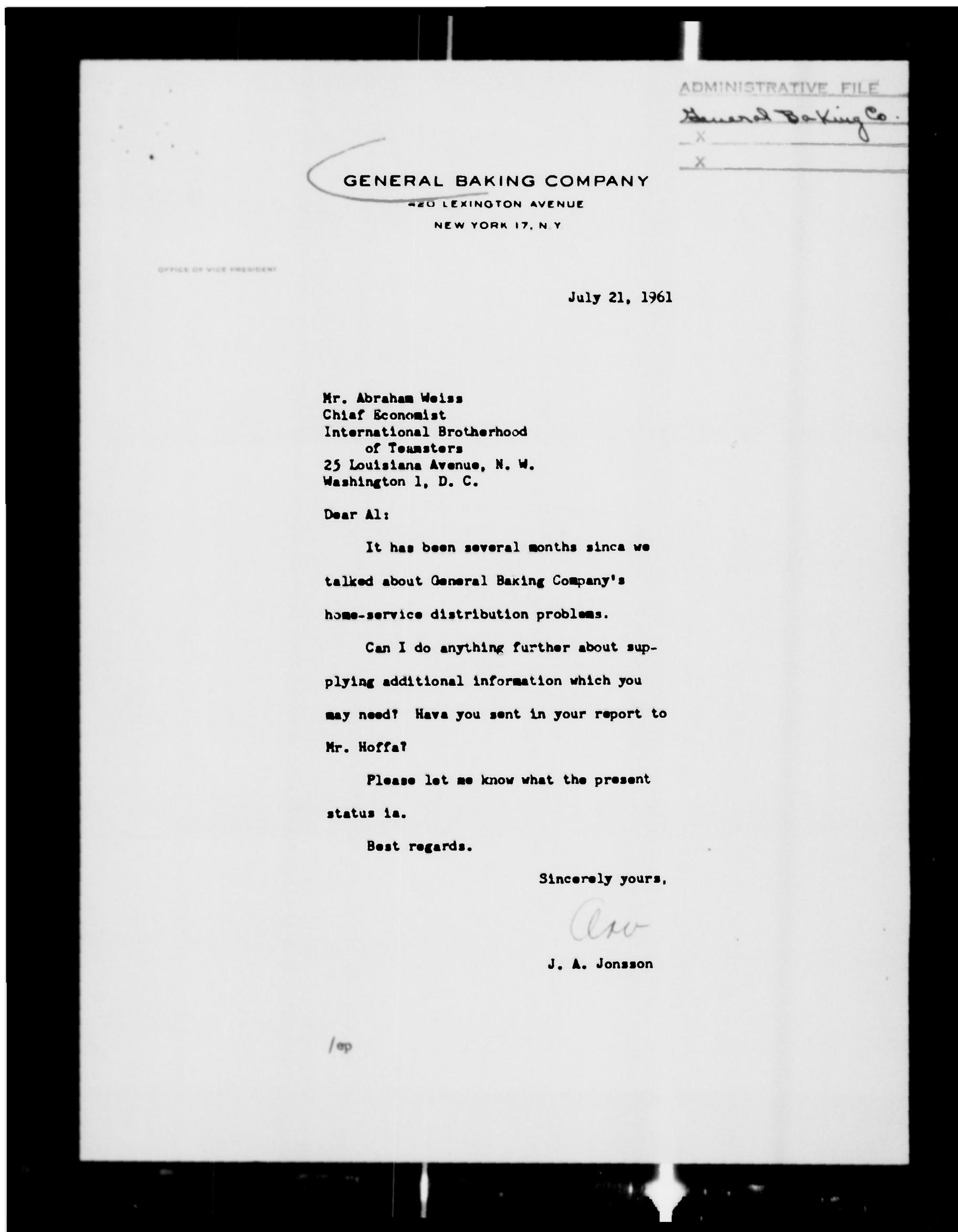
September 26, 1961

the dock down and raise the price of bread (which would automatically give the
driver-salesmen a raise without increasing commission rates).
(Jonsson didn't touch on the fact that raising prices would widen the spread
between chain store bread and branded loaves.)
Mr. Jonsson's letter indicated he would very much like to sit down with you
to discuss these problems. Please advise.

AM/lp
Encl.

EARNINGS

	<u>Base</u>	<u>Commission</u>	<u>Guarantee</u>	<u>\$350 Route</u>	<u>\$400 Route</u>	<u>\$450 Route</u>	<u>\$500 Route</u>
				<u>Average</u>	<u>Average</u>	<u>Average</u>	<u>Average</u>
<u>BB (DEPT)</u>							
Dugan	\$45 on sales up to \$170	24% 28% 28%	171-350 351-400 over 400	\$75.00 \$87.46 \$101.96	\$116.46	\$130.96	
General		27% to 350 27½ 351-425 28% over 425	74.00 94.50 108.25	94.50	121.53	135.53	
Cushman's (Maine, New Hampshire, Mass.) Driver owns truck, buys bread at 30%, must post bond, responsible for gas, oil, insurance, etc.							
<u>NEW JERSEY (northern)</u>							
Dugan		26% to 350 28% 351-400 29% over 400	75.00	91.00	105.00	119.50	134.00
General	\$10.00	27%	85.00	104.50	118.00	131.50	145.00
Johanna Farms		Drivers sell 1 lb. loaf at 25¢, 6¢ commission to salesman.					
<u>BALTIMORE</u>							
Capitol		20%	70.00	70.00	80.00	90.00	100.00
Rica		20%	75.00	70.00	80.00	90.00	100.00
General	7.50	23%	75.00	88.00	99.50	111.00	122.50
Milk Drivers Delivering Bread, Rolls & Sweet Goods							
Western Maryland Dairy		18%		63.00	72.00	81.00	90.00
Kress Dairy		18%		63.00	72.00	81.00	90.00
Koonts Dairy		18%		63.00	72.00	81.00	90.00
Greenspring Dairy		17%		59.52	68.00	76.52	85.00
Willis Dairy		10% + 1¢ p/loaf			Cannot estimate.		
Cloverland		10% + 1¢ p/loaf			"	"	
Wilton Farm		10% + 1¢ p/loaf			"	"	
Royal Dunloggin		10% + 1¢ p/loaf			"	"	
Aristocrat					"	"	
Willow Farms					"	"	
Knoxess					"	"	
Swiss Veile					"	"	



COPY

GENERAL BAKING COMPANY
420 Lexington Avenue
New York 17, New York

PERSONAL and CONFIDENTIAL

May 31, 1961

Mr. Abraham Weiles
Chief Economist
International Brotherhood
of Teamsters
25 Louisiana Avenue, N. W.
Washington 1, D. C.

Dear All:

In accordance with your request, I am enclosing (1) the company brief in the Baltimore arbitration case and (2) a comparison of home-service earnings in several of the markets in which we operate.

In view of the fact that the brief contains confidential information, please use it with discretion. Competition is tough enough without letting our competitors know too much.

In the case of wage comparisons, you will note that in the New England and Northern New Jersey markets we suffer an unfair higher differential in wages than our competitors who deal with different locals of the Teamsters' Union. In the Baltimore area all our competition in the baking industry (home-service) is non-union. I am not sure whether the milk drivers selling baked products are union.

Although you took voluminous notes, I am enclosing a summary of the important points which I gave you during our discussion roughly a week ago. Many of these points apply to wholesale distribution as well as to home-service distribution.

As I mentioned to you, I hope that you and I can get together for a few minutes before you hand in your final report to Mr. Hoffa. There may be additional information available at that time which I am not presently aware of.

Yours truly,

J. W. Johnson

/sp

Enclosures (2)

HOME SERVICE - SUMMARY

1. Non-union bakers pay their drivers-salaries lower commission rates than we do.

Examples:

Baltimore
Upper New England
Northern New Jersey

Note: All of the above locations are set forth in the "earnings" sheet which is attached.

2. Union bakers pay lower commissions than we do -- different locals of the Teamsters' Union in the same market.

Examples:

Bridgeport, Connecticut
Northern New Jersey

3. Cheap ensembles bread in home-service markets, which is supplied by non-union bakers outside our markets, hurts our sales.

Examples:

Philadelphia --
Karsky Baking Company,
York, Pa.
Kehlts Baking Company,
Allentown, Pa.
Rossi Baking Company,
Tranont, New Jersey

Northern New Jersey --

Weimsbach Baking Company,
Allentown, Pa.
United Baking Company,
Schenectady, New York

New England --

Charles Prehofer Baking Company,
Albany, New York
United Baking Company,
Schenectady, New York

New England (continued) --

Benest Baking Company,
Manchester, New Hampshire

Stroehmann Baking Company,
Hazelton, Pa.

4. Chain-store bakeries provide cheap bread in home-service markets without paying home-service commissions.
5. Main bakers free outside the market supply chain stores with private-label, cheap bread on a warehouse-delivery basis.

Example:

Northern New Jersey --

Spaulding Baking Company for
Food Fair Stores

6. Higher sales are necessary to pay for higher commission rates -- this is the only way we can recover increased cost of distribution. The reverse happens -- sales slough off so that driver-salesman continues to earn the same as before.

EARNINGS							
	Base	Commission	Guarantee	\$350 Route	\$400 Route	\$450 Route	\$500 Route
<u>BRIDGEPORT</u>							
Dugan	\$45.00 sales up to \$170	24% 28% 28%	171-350 351-400 over-400	75.00 87.46 101.96	87.46 108.25 121.53	116.46 130.96	130.96
General		27%	to 350 351-425 over-425	74.00 94.50	94.50 108.25	121.53	135.53
Cushman's (Maine, Mass., New Hampshire)			driver owns truck, buys bread at 30%, must post bond, responsible for gas, oil, insurance, etc.				
<u>NEW JERSEY (Northern)</u>							
Dugan		26% 28% 29%	to 350 351-400 over-400	75.00 91.00	105.00	119.50	134.00
General	\$10.00	27%		85.00	104.50	118.00	131.50
Johanna Farms			drives sell 1-lb. loaf at 25¢, or commission to salesmen.				
<u>BALTIMORE</u>							
Capitol		20%		70.00	70.00	80.00	90.00
Kiss		20%		75.00	70.00	80.00	90.00
General	\$7.50	23%		75.00	88.00	99.50	111.00
<u>MILK DAIRIES DELIVERING BOSTON, BOSTON & SUBURBS</u>							
Western Maryland Dairy		18%		63.00	72.00	81.00	90.00
Kress Dairy		18%		63.00	72.00	81.00	90.00
Koontz Dairy		18%		63.00	72.00	81.00	90.00
Greenspring Dairy		17%		59.52	63.00	76.52	85.00
Willie Dairy		10% + 1¢ per loaf				Cannot estimate	
Cloverland		10% + 1¢ per loaf				"	"
Wilton Farm		10% + 1¢ per loaf				"	"
Royal Dunloggin		10% + 1¢ per loaf				"	"
Aristocrat		10% + 1¢ per loaf				"	"
Willow Farms						"	"
Knoxes						"	"
Swiss Vale						"	"

CONFIDENTIAL

C O P Y

GENERAL BAKING COMPANY
420 Lexington Avenue
New York 17, New York

July 21, 1961

Mr. Abraham Weiss
Chief Economist
International Brotherhood
of Teamsters
25 Louisiana Avenue, N. W.
Washington 1, D. C.

Dear Al:

It has been several months since we
talked about General Baking Company's home-
service distribution problems.

Can I do anything further about supply-
ing additional information which you may need?
Have you sent in your report to Mr. Hoffel?

Please let me know what the present
status is.

Best regards,

Sincerely yours,

J. W. Johnson

/sp

C O P Y

C O N F I D E N T I A L

GENERAL BAKING COMPANY
420 Lexington Avenue
New York 17, New York

November 8, 1961

Mr. Thomas Carrel, Bee-Tress,
International Brotherhood of Teamsters,
Chauffeurs, Warehousemen and
Helpers of America, Local 494
650 Beacon Street
Boston, Massachusetts

Dear Tom:

As I presume, I am enclosing herewith all my correspondence with Mr. Hoffa and
Al Weiss.

The letter to Mr. Hoffa was sent on May 12, 1961. The letters to Al Weiss were sent
on May 31 and July 21, 1961.

I cannot stress enough the problems that General Baking Company and the entire industry are having in the house-service field particularly, and in the wholesale field
secondarily. I know that some of the faults lie on our doorstep. However, we are
attempting to correct these faults. On the other hand, I see no action whatsoever on
the part of the Teamsters' International Union toward assisting their friends by
equalizing competitive conditions through organization efforts.

It seems a shame that some of our employees, who are also members of your union, face
the possibility of loss of work because you and we don't seem to be able to find the
appropriate answers to these very serious problems.

Although I have express respect for the Teamsters' International Union and all the
Teamster representatives with whom I have bargained over the past 25 or 30 years, I
feel that more can be done aggressively along certain lines than has been done in
the past.

As I stated to Wendell Phillips and Al Weiss the other day prior to your meeting, I
have always found Teamster representatives to be men who keep their word. They are
usually tough but fair. However, they and we cannot hide our heads in the sand and
hope that things will turn out all right. What is needed now is strong, aggressive
action to get our industry over the hump. Our employees, who are also your members,
look to us jointly for job security. We should not and cannot fail them.

Sincerely,

J. A. Johnson

/sp
cc: amesersons (above letter also sent to: Matt Cuday, John Backus,
John Hartigan, James Catena. In addition, talked to:
Bobby Smith, Frank Dickerson, Ed Sullivan, Jack Scherer,
John Sepiarski, Al Babin.)

Office of the General President

To: Al Weiss
From: James R. Hoffs

5-16-61

DATE

Communication from J.A. Jonsson
General Baking Company

I attach communication from J.A. Jonsson which is
self-explanatory.

Would you please arrange to meet with Mr. Jonsson?

James R. Hoffs
J.R.H.

JRH/mr

*Wants to
meet him -*

GENERAL BAKING COMPANY

420 LEXINGTON AVENUE

NEW YORK 17, N.Y.

LCB-6600

OFFICE OF VICE PRESIDENT

May 12, 1961

Mr. James R. Hoffa
General President
International Brotherhood
of Teamsters
25 Louisiana Avenue, N. W.
Washington 1, D. C.

Dear Mr. Hoffa:

I have dealt with Teamster representatives for better than twenty-five years and have always found them to be men who keep their word. They are usually tough but fair.

At present I am working for General Baking Company which employs many thousands of Teamster Union members throughout the United States.

Although we have many problems in the baking industry, a critical one for us is the high cost of selling and delivering baked goods to the home.

I would appreciate an appointment with you to exchange ideas on the subject.

Very truly yours,

J. A. Jonsson
J. A. Jonsson

/ep

MEMORANDUM

ADMINISTRATIVE FILE
General Baking Company
McVey, Franklin
X

March 11, 1957
To: Kinar Mohn
From: Abraham Weiss
Re: Telephone call from Emile Libresco, General Baking Company

Mr. Libresco called today to advise me that he has been informed by a Chicago baker that Omar has been sending bread into Chicago via Franklin McVey, a trucker, for delivery to IGA stores in Chicago. Libresco does not know where the bread is being baked, but believes it may be Milwaukee.

Libresco does not know whether it is Bill Lee's local or another local in Chicago which has organized McVey and signed a contract, presumably to keep McVey from being signed up by a cartage local. McVey's men are being paid on an hourly basis; no commission salesmen are employed.

Libresco raises the question of a decision on his company's proposed operation in Kansas City, where his company has customers lined up. He stated that he would be willing to adjust the proposed Kansas City operation to conform to what is now being permitted in Chicago; or to use the Indianapolis arrangement which Eddie Davis' local agreed to, that is, hourly paid delivery to certain stores only. (Apparently even though the Indianapolis local agreed to hourly paid delivery, General Baking couldn't line up customers. General Baking only had house to house delivery in Indianapolis).

ADMINISTRATIVE FILE
General Baking Co.
GENERAL BAKING COMPANY
420 Lexington Avenue
New York 17, N.Y.

DIRECTOR
INDUSTRIAL RELATIONS

September 24, 1956.

Dear Al,

When I met informally with you in Boston, we discussed once more our company's proposal to serve certain stores with private label bread in Kansas City, employing special delivery drivers. You will recall I showed you a recent letter (September 11, 1956) from our manager, concerning new entries into the Kansas City market by competitors selling private label bread to super markets at a lower price. Of course they are able to do so because these competitors are not paying commission on the sales.

Our failure to meet this competition has put our company at a serious disadvantage. Naturally we cannot meet this competition unless we receive the full cooperation of the Teamster's Union and are thus able to provide service to super markets by special delivery drivers.

Here are some excerpts from our manager's letter to me which, I feel, are pertinent:

"There are increased demands by super market operators for a lower priced loaf of white bread to meet chain store cheap-priced breads.

"Several of our Thriftway Super Markets have taken Hefty's Hy-Klas Bread which they are selling 2 for 25c. It is my understanding they will have it in all 18 of their co-operatively operated super markets.

"Van's Super Market has taken in Sally Ann Bread which is a cheap priced loaf.

-2-

September 24, 1956.

Mr. Al Weiss,

"I feel certain the Winco, Flemming, Contown and other super market operators are not going to sit and wait for us much longer. If we are to successfully market a cheap loaf we must get action immediately or give up entirely on the idea. It is very questionable how much longer we will be able to keep them in line."

I hope that this material proves helpful in securing cooperation from the Union.

Sincerely,

Emile Libresco
Emile Libresco

Mr. Al Weiss, Economist
International Brotherhood of Teamsters, A.F.L.-C.I.O.
25 Louisiana Avenue
Washington, 1, D. C.

ADMINISTRATIVE FILE
General Baking Company
X

July 3, 1956

C
O
P
Y

Mr. Emile Libresco, Director
Industrial Relations
General Baking Company
420 Lexington Avenue
New York 17, N. Y.

Dear Emile:

Please excuse the delay in acknowledging your letter
of June 14th, in which you answer several questions
dealing with your proposed method of delivery in
Kansas City. I appreciate your cooperation.
This matter is under active consideration at the

Sincerely yours,

ALW:el

Abraham Weiss
Economist

8 1082-20M-7-55

ADMINISTRATIVE FILE

General Baking Co.

Smile Libresco, Esq.

✓ General Baking Company

420 Lexington Avenue New York 17, N. Y.

January 21, 1954

Mr. David Kaplan, Chief Economist
Intl. Brotherhood of Teamsters
100 Indiana Ave., N. W.
Washington 1, D. C.

Dear Mr. Kaplan:

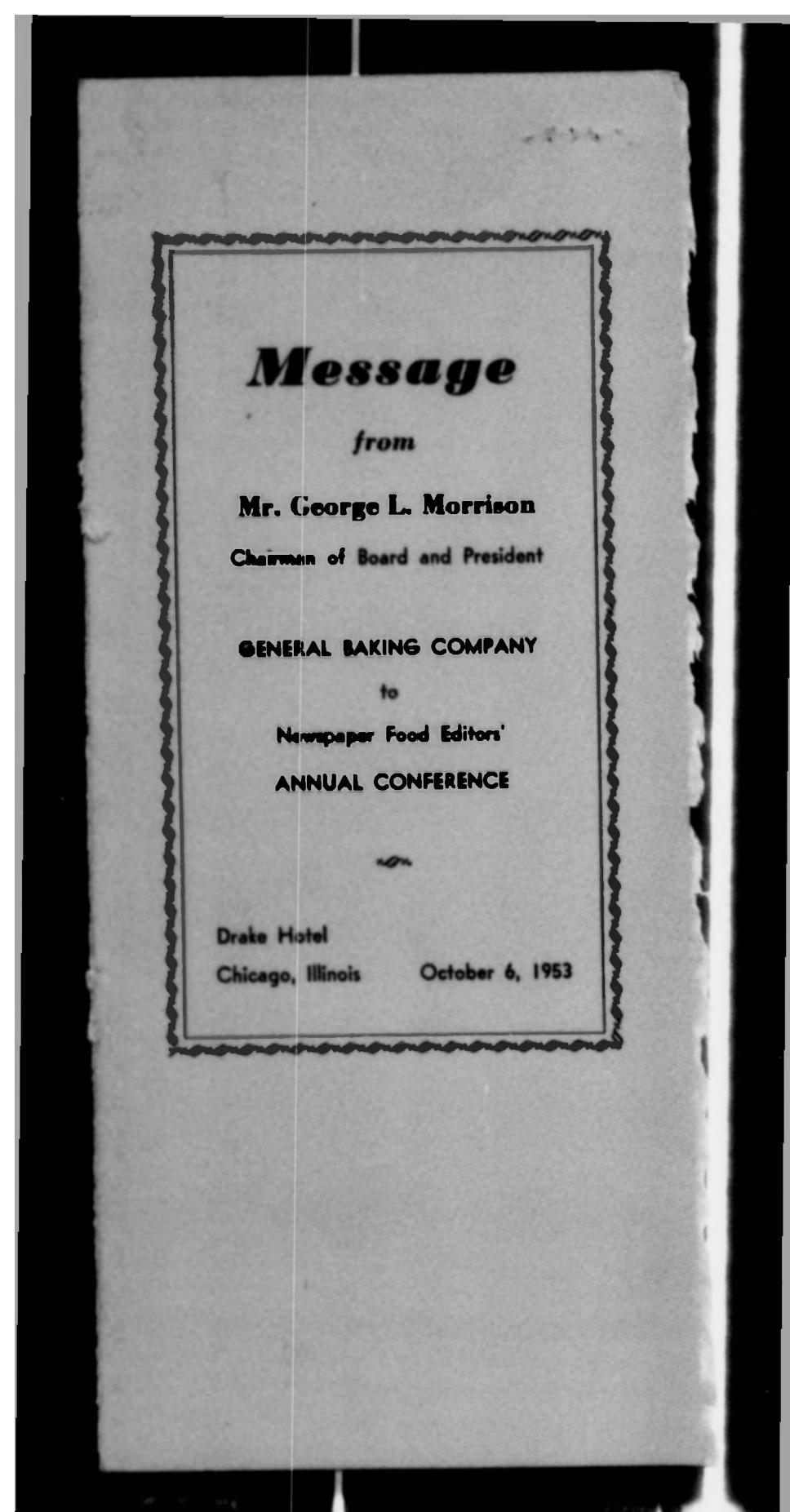
I know that you are vitally interested in the problems
we in this industry face together. I know that you will be in-
terested in the enclosed message which Mr. Morrison delivered to
the Newspaper Food Editors' Conference.

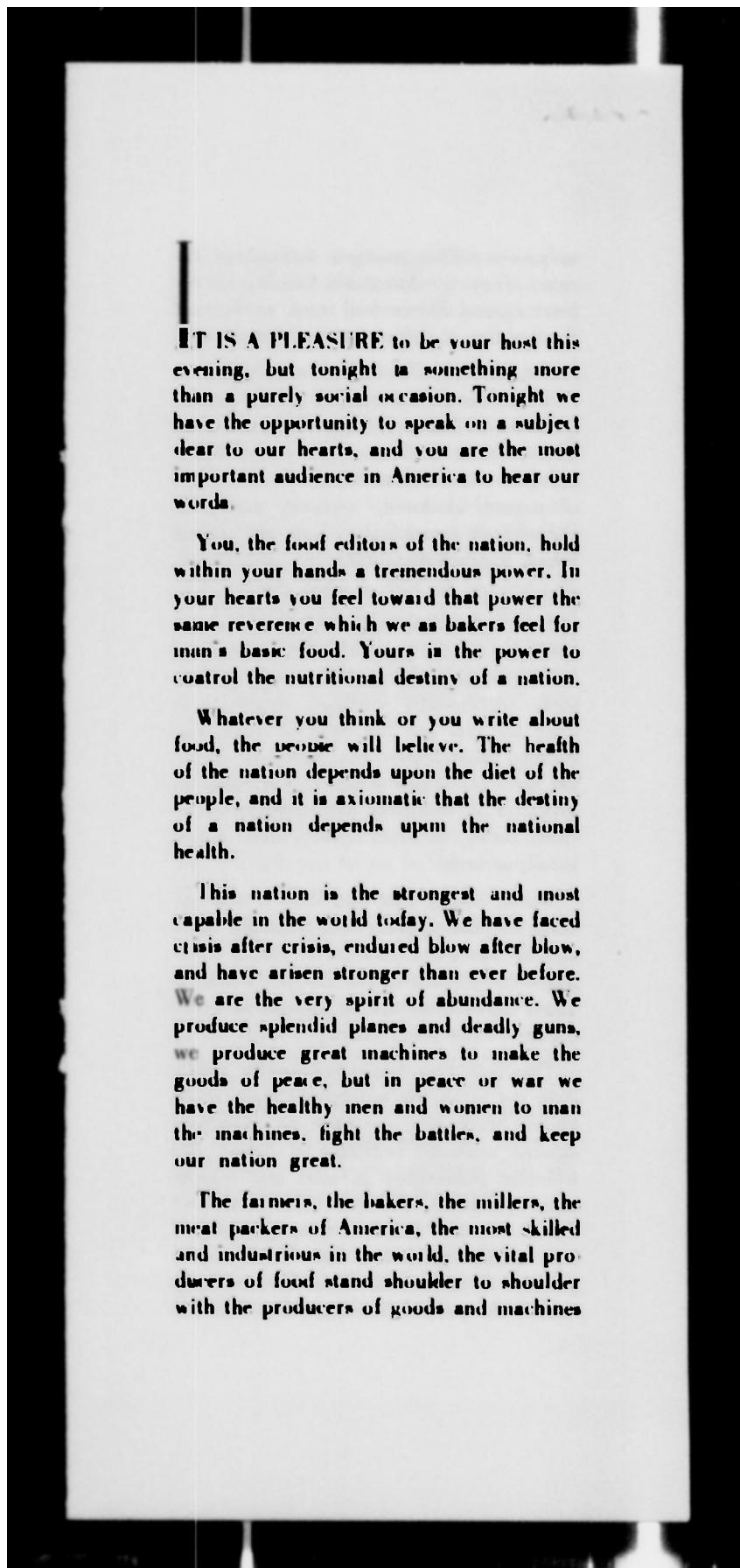
Sincerely,

Smile Libresco
Smile Libresco
Labor Relations

SL:JL
Enccl.

Bond Bread





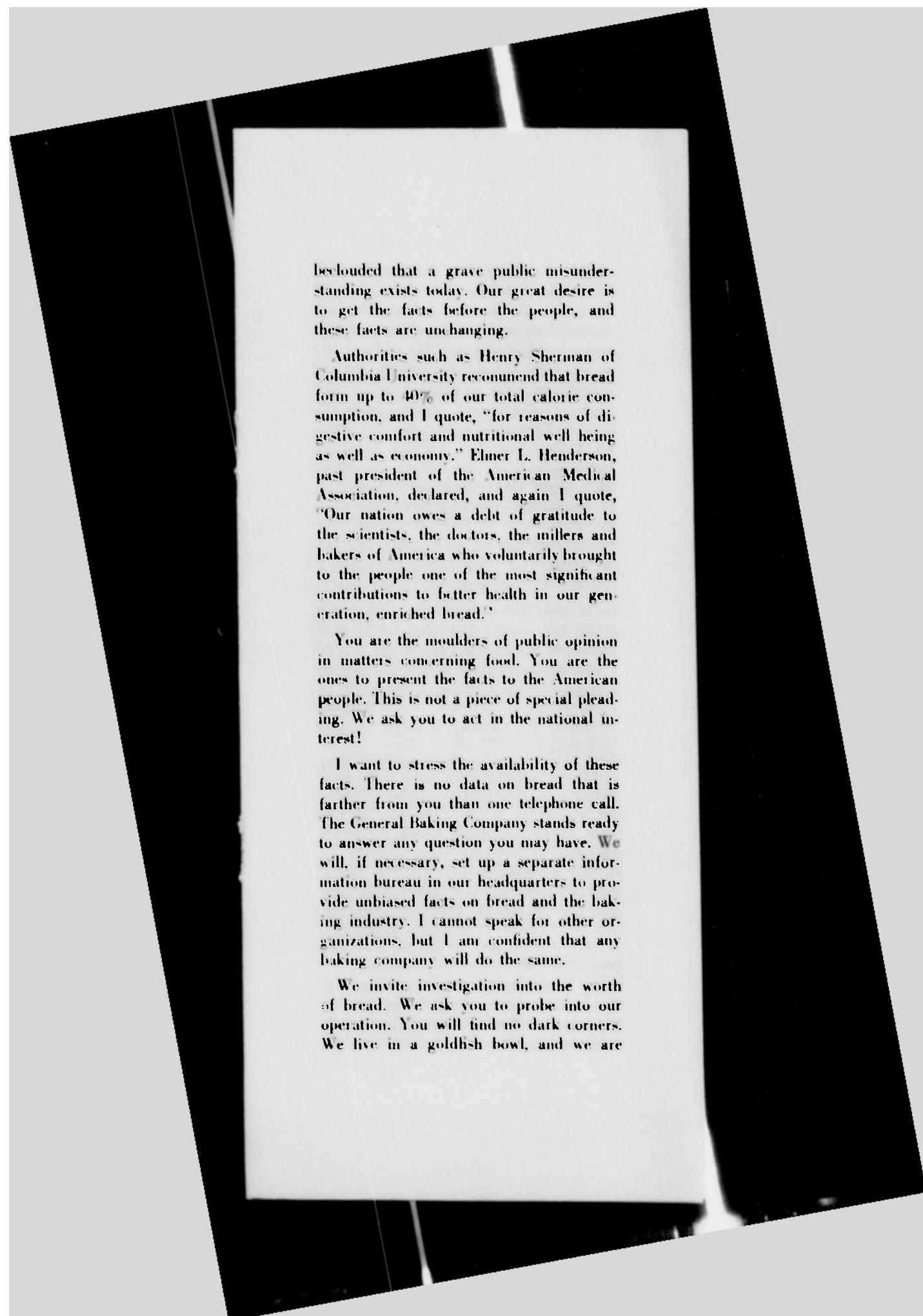
to preserve this greatness throughout the years. They are America's first line of defense against disease and want, as they are the first line of defense against human foes.

But, for some illogical reason, the bakers of bread have been singled out from this great team for continuing attacks against their product. Every crackpot or confusion monger who dedicates himself to a diet of yogurt, blackstrap molasses and head cheese feels compelled to lash out against bread, man's basic food.

Every time a food faddist decides to turn a fast dollar he preaches a doctrine dedicated to the proposition that most of man's troubles lie in bread, and he has some nutritionally worthless substitute to offer for this age old Staff of Life. The doctors know better. The American Medical Association knows better. The vast majority of all medically prescribed diets include bread, enriched bread, whole wheat bread, or both.

North, South, East and West a new upsurge of intemperate and patently false attacks against bread have raised their heads in "Letters to the Editor" columns. These bottomless attacks appear in every corner of the land. Why?

They have been raised because the public does not know the nutritional truth about bread. Mark you, we have no complaint against reasoned criticism of bread. We welcome publication of sane and reasonable comments, because from these we learn. But the mood of propaganda and half truths unleashed by fanatic proponents of starvation diets has seriously misled the people. The issue has been so



besluded that a grave public misunderstanding exists today. Our great desire is to get the facts before the people, and these facts are unchanging.

Authorities such as Henry Sherman of Columbia University recommend that bread form up to 40% of our total caloric consumption, and I quote, "for reasons of digestive comfort and nutritional well being as well as economy." Elmer L. Henderson, past president of the American Medical Association, declared, and again I quote, "Our nation owes a debt of gratitude to the scientists, the doctors, the millers and bakers of America who voluntarily brought to the people one of the most significant contributions to better health in our generation, enriched bread."

You are the moulders of public opinion in matters concerning food. You are the ones to present the facts to the American people. This is not a piece of special pleading. We ask you to act in the national interest!

I want to stress the availability of these facts. There is no data on bread that is farther from you than one telephone call. The General Baking Company stands ready to answer any question you may have. We will, if necessary, set up a separate information bureau in our headquarters to provide unbiased facts on bread and the baking industry. I cannot speak for other organizations, but I am confident that any baking company will do the same.

We invite investigation into the worth of bread. We ask you to probe into our operation. You will find no dark corners. We live in a goldfish bowl, and we are



afraid of nobody. Our bread today contains more calcium, more iron, more of the B vitamins than ever before. You have to look long and hard in this country to find a bad loaf of bread. We of Bond feel we make the best bread, naturally, but our competitors make good bread too. I refer to Ward, Continental, Purity, Interstate, Gordon, Campbell-Taggart, the New Process Baking Company and the hundreds and thousands of other bakers throughout the country whose lives are dedicated to serving to the American people the Staff of Life.

When we ask you to give the truth to the people, we know that some will still criticize our product. We want you to place any reasoned criticism before the public too. Give it the widest coverage. It stands to reason that we will see it, and I assure you we shall examine it closely. Any indicated research or analysis will be accomplished at once, and we will be quick to remedy any situation in which we have been remiss.

The taste and preferences of the great majority of the American people are our master. Today we produce no less than eight distinct types of bread to satisfy varying tastes. If there is a widespread demand for another type of bread, we will bake that bread for the people. We are businessmen, and our production schedules can be adjusted to meet the demands of the majority, to give the people what they want.

We have nothing to fear from the truth. When we ask you to put it before the public we know that the truth fights on our side. I thank you.

ADMINISTRATIVE FILE

General Baking Co
X Libresco, Emile

X

General Baking Company

420 Lexington Avenue New York 17, N. Y.

December 16, 1953

Mr. Dave Beck, President
International Brotherhood of Teamsters,
Chauffeurs, Warehousesmen and Helpers
of America, A. F. of L.
100 Indiana Avenue, N. W.
Washington 1, D. C.

Dear Mr. Beck:

I am glad that I had the opportunity of talking with you on Monday about serious economic consequences of the use of swingmen in the baking industry. I hope that you may find the time to give serious consideration to our mutual problem.

I was particularly interested in your comment that the baking companies who operate on the West Coast with a 5-day work week but without swingmen, are operating profitably. This would seem to bear out our company's contention that there would be no loss in business if all of the large companies who are important factors in the given market were to decide to dispense with this wasteful practice.

I hope that we can meet again at a time mutually convenient two or three months from now so that I can provide you with the facts on our company's experience with a drop-out day.

Thanks again for the courtesy which you and your staff have extended.

Sincerely,

Emile Libresco
Emile Libresco

EL:rtk

Bond Bread